

Implementation Timeline

Reflecting the Affordable Care Act 2010 – OIC Annotation

Access to Insurance for Uninsured Americans with a Pre-Existing Condition. Provides uninsured Americans with pre-existing conditions access to coverage. The temporary high-risk pool will serve as a bridge to when the new health insurance Exchanges are up and running, at which point insurance companies will no longer be able to deny coverage based on pre-existing conditions.

Effective 90 days after enactment. OIC is designated lead on submitting letter of intent to HHS by 4/30/10

Small Business Health Insurance Credit. Provides a tax credit for qualified small businesses to help them afford insurance coverage for their workers. The credit is up to 35 percent of the employer's contribution to the employees' health insurance. There is also up to a 25 percent credit for small nonprofit organizations. *Effective taxable year 2010.* (In 2014, when health insurance Exchanges are operational, tax credits will be up to 50 percent of premiums, and up to 35 percent for non-profits.)

No Discrimination Against Children With PreExisting Conditions. Prohibits new health plans in all markets and grandfathered group health plans from denying access to and coverage of children with preexisting conditions up to age 19. *Effective 6 months after enactment.* (Beginning in 2014, this prohibition would apply to these plans for all individuals.)

Relief for Seniors Who Hit the Medicare Part D 'Donut Hole.' Provides a \$250 rebate check for Part D enrollees who hit the gap in prescription drug coverage known as the 'donut hole.' Currently, the coverage gap falls between \$2,830 and \$6,440 in total drug spending. *Effective calendar year 2010.* (Beginning in 2011, seniors who reach the donut hole will get a 50 percent discount on brand-name drugs and gradually increasing discounts on generic drugs. The donut hole will be closed completely by 2020.)

Prohibits Dropping Coverage When People Get Sick. Prevents insurance companies from withdrawing coverage when a person gets sick as a way of avoiding covering the costs of enrollees' health care needs. *Effective six months after enactment and applying to all plans. This practice is prohibited under Washington law.*

Eliminating Lifetime Limits on Insurance Coverage. Prohibits insurers from imposing lifetime limits on benefits. *Effective six months after enactment and applying to all plans.*

Regulating Use of Annual Limits on Insurance Coverage. Tightly regulates plans' use of annual limits to ensure access to needed care in all group plans and all new individual plans. These tight restrictions will be defined by the Secretary of Health and Human Services. *Effective six month after enactment and applying to new plans in the individual market and all employer plans.* (In 2014, the use of annual limits will be banned for new plans in the individual market and all employer plans.)

Covering Preventive Health Services. All new plans must cover preventive services at no charge by exempting these benefits from deductibles and other cost-sharing requirements. *Effective six months after enactment.*

Improving Preventive Health Benefits. Requires State Medicaid programs to cover tobacco cessation services for pregnant women. *Effective Fiscal Year 2011.*

Extending Coverage for Young Adults. Requires health plans that provide coverage for children to continue to make that coverage available until the child turns 26 years of age. The requirement applies to all plans in the individual market, new employer plans, and existing employer plans – unless the adult child has an offer of coverage through his or her employer. Both married and unmarried children qualify for this extended coverage. Beginning in 2014, individuals up to age 26 can stay on their parents' employer plan even if they have an offer of coverage through their employer. *Effective for plans starting six months after enactment.*

Bringing Down the Cost of Health Care Coverage. With the exception of employers that self-insure, all health plans must report on the share of premium dollars spent on medical care versus other expenses, such as salaries and administrative costs – their medical loss ratio (MLR). Beginning not later than January 1, 2011, plans that spend too much on overhead must provide consumer rebates if they fail to meet the MLR standard. *Reporting requirement effective for plan years starting 6 months after enactment; consumer rebate requirement begins not later than January 1, 2011.*

Reducing the Cost of Covering Early Retirees. Creates a new temporary reinsurance program (until 2014 when the health insurance Exchanges are available) to help offset the costs of expensive premiums for employers and retirees for health benefits for retirees age 55-64. *Effective 90 days after enactment.*

Holding Insurance Companies Accountable for Unreasonable Rate Hikes. Creates a grant program to support States in requiring health insurance companies to submit justification for requested premium increases, and insurance companies with excessive or unjustified premium exchanges may not be able to participate in the new health insurance Exchanges. *Starting in plan year 2011.*

Reducing Barriers to Providing Home and Community-Based Services (HCBS) in Medicaid. Gives States more flexibility to provide HCBS and to extend full Medicaid benefits to individuals receiving these services. *Effective the first day of the quarter after the date of enactment, or April 1, 2010.*

Strengthening Community Health Centers. Provides funds to build new and expand existing community health centers. *Effective Fiscal Year 2011.*

Strengthening the Primary Care Workforce. Expands funding for scholarships and loan repayments for primary care practitioners working in underserved areas participating in the National Health Service Corps. *Effective Fiscal Year 2011.*

Ensuring An Effective Appeals Process for a Denial of Coverage. Requires new plans to implement an effective internal and external appeals process for coverage determinations and claims. *Effective six months after enactment.*

Improving Consumer Information through the Web. Requires the Secretary of Health and Human Services to establish an Internet website through which residents of any State may identify affordable health insurance coverage options in that State. *Effective not later than July 1, 2010.* *OIC had a conference call with HHS on 3/30/10*

Improving Consumer Assistance. Requires the Secretary of Health and Human Services to award grants to States to establish health insurance consumer assistance or ombudsman programs to receive and respond to inquiries and complaints concerning health insurance coverage. *Effective upon enactment.* *OIC sent letter to HHS on 4/19/10*

Cracking Down on Health Care Fraud. Requires enhanced screening procedures for health care providers to reduce fraud and waste in Medicare, Medicaid, and CHIP. *Many provisions are effective on the date of enactment.*

Improving Public Health Prevention Efforts. Creates an interagency council to promote healthy living and establishes a Prevention and Public Health Fund with \$15 billion in funding over ten years to provide an expanded and sustained national investment in prevention and public health programs. *Interagency council must submit first Report on its activities and progress by July 1, 2010 and funding appropriations begin in Fiscal Year 2010.*

Extending Payment Protections for Rural Providers. Extends Medicare payment protections for small rural hospitals, including hospital outpatient services, lab services, and facilities that have a low-volume of Medicare patients, but play a vital role in their communities. *Effective calendar year 2010.*

Ensuring Medicaid Flexibility for States. A new option will take effect allowing States to cover individuals up to 133 percent of the Federal Poverty Level (FPL) and receive current law Federal Medical Assistance Percentage (FMAP). *Effective April 1, 2010.*

Expanding the Adoption Credit and Adoption Assistance Program. Increases the adoption tax credit and adoption assistance exclusion by \$1,000, makes the credit refundable, and extends the credit through 2011. *Effective for tax years beginning after December 31, 2009.*

Encouraging Investment in New Therapies. A two-year temporary credit subject to an overall cap of \$1 billion to encourage investments in new therapies to prevent, diagnose, and treat acute and chronic diseases. *Available for qualifying investments made in 2009 and 2010.*

Providing Tax Relief for Doctors, Nurses, and Other Health Professionals with State Loan Repayment. Excludes from taxable income payments made under any State loan repayment or loan forgiveness program that is intended to increase the availability of health care services in underserved or health professional shortage areas. *Effective for amounts received by an individual in taxable years beginning after December 31, 2008.*

Establishing a National Health Care Workforce Commission. Establishes an independent National Commission to provide comprehensive, objective information and recommendations to Congress and the Administration for aligning federal health care workforce resources with national needs. *Effective not later than September 30, 2010.*

Strengthening the Health Care Workforce. Expands and improves low-interest student loan programs, scholarships, and loan repayments for health students and professionals to increase and enhance the capacity of the workforce to meet the range of patients' health care needs. *Effective calendar year 2010.*

Special Requirements for Blue Cross Blue Shield (BCBS). Requires that non-profit BCBS organizations devote 85 percent or more of their premium dollars to patient care in order to take advantage of the special tax benefits provided to them under Internal Revenue Code (IRC) Section 833, including the deduction for 25 percent of claims and expenses and the 100 percent deduction for unearned premium reserves. Effective for tax years beginning after December 31, 2009.

Highlighted sections are requirements that will be addressed through the filing of rates and forms with the OIC.